GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:2323
ANSWERED ON:04.12.2000
DEFICIT IN DEPARTMENT OF POSTS
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Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the deficit in Department of Posts is on the rise for the last few years;

(b) if so, the reasons therefor;

(c) the total loss the Department has suffered during the last three years; and

(d) the measures taken/proposed to be taken to tone up the Department of Posts?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) Yes Sir.

(b) The trend of increasing deficit is mainly attributable to the following:

(I) Eighty Nine percent of the expenditure is towards committed liabilities like - salary, pension etc;

(II) Revision of the Postal rates for various services has not kept pace with the steadily rising cost of operations;

(III) Implementation of revised scales of pay as recommended by the Pay Commission and JusticeTalwar Committee for Extra Departmental Agents;

(IV) No significant increase in postal traffic.

(c) The Department of Post has not been suffering losses but has been in deficit.The deficit of the Department of Posts for the last three years is as under:-

1997-98 Rs. 993.43 Crore
1998-99 Rs. 1590.97 Crore
1999-00 Rs. 1595.82 Crore

(d) Concerted efforts are made to generate more revenue for the Department. Apart from the conventional services, a special wing namely. Business Development Directorate was set up to introduce/explore profit-based services/activities such as

(i) Tariff revision in respect of certain services from time to time

(ii) Expansion of Speed Post Network

(iii) Greeting Post

(iv) Data based Post

(v) Media Post etc. by customizing Corporate Sectors etc. Similarly, special emphasis is also laid on proper expenditure control to

(i) enforce strict economy measures

(ii) contain expenditure within the Budgetary ceilings approved by the Ministry of Finance

(iii) ensure judicious utilization of man-power for new services undertaken by the Department.